

**QUARTERLY STATEMENT
OF THE
AMERIGROUP Tennessee, Inc.**

**of
Nashville
in the state of
Tennessee**

**TO THE
Insurance Department
OF THE STATE OF
Tennessee**

**FOR THE QUARTER ENDED
June 30, 2007**

HEALTH

2007

2007



12941200720100102 2007 Document Code: 201

QUARTERLY STATEMENT
AS OF June 30, 2007
OF THE CONDITION AND AFFAIRS OF THE
AMERIGROUP Tennessee, Inc.

NAIC Group Code	1156 (Current Period)	1156 (Prior Period)	NAIC Company Code	12941	Employer's ID Number	20-4776597
Organized under the Laws of	Tennessee		State of Domicile or Port of Entry	Tennessee		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[] Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X] N/A[] Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]					
Incorporated/Organized	04/26/2006		Commenced Business	04/01/2007		
Statutory Home Office	22 Century Boulevard, Ste 310 (Street and Number)		Nashville, TN 37214 (City, or Town, State and Zip Code)			
Main Administrative Office	4425 Corporation Lane (Street and Number)		4425 Corporation Lane (Street and Number)	(757)473-2737-32721 (Area Code)(Telephone Number)		
Mail Address	Virginia Beach, VA (City or Town, State and Zip Code)		4425 Corporation Lane (Street and Number or P.O. Box)	Virginia Beach, VA 23462 (City, or Town, State and Zip Code)		
Primary Location of Books and Records	4425 Corporation Lane (Street and Number)		4425 Corporation Lane (Street and Number)	(757)473-2737-32721 (Area Code)(Telephone Number)		
Internet Website Address	www.amerigroupcorp.com		www.amerigroupcorp.com	(757)473-2737-32721 (Area Code)(Telephone Number)(Extension)		
Statutory Statement Contact	Margaret Mary Roomsburg (Name)		mrroomsb@amerigroupcorp.com (E-Mail Address)	(757)473-2737-32721 (Area Code)(Telephone Number)(Extension) (757)557-6742 (Fax Number)		
Policyowner Relations Contact	4425 Corporation Lane (Street and Number)		4425 Corporation Lane (Street and Number)	(757)473-2737-32721 (Area Code)(Telephone Number)(Extension)		

OFFICERS

Name	Title	
Charles Brian Shipp	CEO/President	#
Lorena Jean Stanley	COO/Vice President	#
Stanley Forrest Baldwin	Secretary/Vice President	#
Nicholas Joseph Pace, II	Asst Secretary/Vice President	#
James Ward Truess	Treasurer/Vice President	#
Scott Wayne Anglin	Asst Treasurer/Vice President	#
Karen Lint Shields	Asst Treasurer/Vice President	#
Carol Ann Churchill, M.D.	Medical Director/Vice President	#

OTHERS

Catherine Smith Callahan, Vice President #
Lori-Don McNamee Gregory, Asst Secretary #

Margaret Mary Roomsburg, Vice President #
William Gardner Wood, M.D., Vice President #

DIRECTORS OR TRUSTEES

Charles Brian Shipp #
Nicholas Joseph Pace, II #

Stanley Forrest Baldwin #

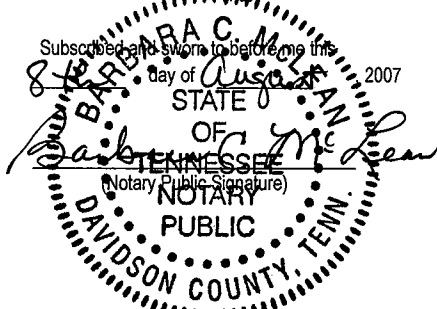
State of Virginia
County of Virginia Beach ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Charles Brian Shipp
(Signature)
Charles Brian Shipp
(Printed Name)
1.
President/CEO
(Title)

Stanley Forrest Baldwin
(Signature)
Stanley Forrest Baldwin
(Printed Name)
2.
Vice President/Secretary
(Title)

Margaret Mary Roomsburg
(Signature)
Margaret Mary Roomsburg
(Printed Name)
3.
Vice President
(Title)



My Commission Expires JAN. 23, 2010



a. Is this an original filing?
b. If no, 1. State the amendment number
2. Date filed
3. Number of pages attached
NANCY M. NEWSOM
NOTARY PUBLIC
Commonwealth of Virginia
My Commission Expires
April 30, 2009

#191631

Yes[X] No[]

ASSETS

		Current Statement Date			4 December 31, Prior Year Net Admitted Assets
		1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1.	Bonds	10,676,946		10,676,946	
2.	Stocks:				
2.1	Preferred stocks				
2.2	Common stocks				
3.	Mortgage loans on real estate:				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate:				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....51,436,271), cash equivalents (\$.....0) and short-term investments (\$.....269,100)	51,705,371		51,705,371	
6.	Contract loans (including \$.....0 premium notes)				
7.	Other invested assets				
8.	Receivables for securities				
9.	Aggregate write-ins for invested assets				
10.	Subtotals, cash and invested assets (Lines 1 to 9)	62,382,317		62,382,317	
11.	Title plants less \$.....0 charged off (for Title insurers only)				
12.	Investment income due and accrued	74,959		74,959	
13.	Premiums and considerations:				
13.1	Uncollected premiums and agents' balances in the course of collection	12,729,797		12,729,797	
13.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)				
13.3	Accrued retrospective premiums				
14.	Reinsurance:				
14.1	Amounts recoverable from reinsurers				
14.2	Funds held by or deposited with reinsured companies				
14.3	Other amounts receivable under reinsurance contracts				
15.	Amounts receivable relating to uninsured plans				
16.1	Current federal and foreign income tax recoverable and interest thereon ...				
16.2	Net deferred tax asset				
17.	Guaranty funds receivable or on deposit				
18.	Electronic data processing equipment and software	468,448	108,122	360,326	
19.	Furniture and equipment, including health care delivery assets (\$.....0)	1,317,787	1,317,787		
20.	Net adjustments in assets and liabilities due to foreign exchange rates				
21.	Receivables from parent, subsidiaries and affiliates	3,000,000		3,000,000	
22.	Health care (\$.....2,859,693) and other amounts receivable	2,859,693		2,859,693	
23.	Aggregate write-ins for other than invested assets				
24.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	82,833,001	1,425,909	81,407,092	
25.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26.	Total (Lines 24 and 25)	82,833,001	1,425,909	81,407,092	
DETAILS OF WRITE-INS					
0901.	.....			
0902.	.....			
0903.	.....			
0998.	Summary of remaining write-ins for Line 9 from overflow page				
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)				
2301.	.....			
2302.	.....			
2303.	.....			
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)				

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded)	59,859,421		59,859,421	
2.	Accrued medical incentive pool and bonus amounts				
3.	Unpaid claims adjustment expenses	1,454,298		1,454,298	
4.	Aggregate health policy reserves				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance				
9.	General expenses due or accrued	2,545,374		2,545,374	
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses))				
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15.	Amounts due to parent, subsidiaries and affiliates	4,131,849		4,131,849	261,411
16.	Payable for securities				
17.	Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers)				
18.	Reinsurance in unauthorized companies				
19.	Net adjustments in assets and liabilities due to foreign exchange rates				
20.	Liability for amounts held under uninsured plans				
21.	Aggregate write-ins for other liabilities (including \$.....0 current)				
22.	Total liabilities (Lines 1 to 21)	67,990,942		67,990,942	261,411
23.	Aggregate write-ins for special surplus funds	X X X	X X X		
24.	Common capital stock	X X X	X X X	1,000	
25.	Preferred capital stock	X X X	X X X		
26.	Gross paid in and contributed surplus	X X X	X X X	24,720,871	
27.	Surplus notes	X X X	X X X		
28.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
29.	Unassigned funds (surplus)	X X X	X X X	(11,305,721)	(261,411)
30.	Less treasury stock, at cost:				
30.1	.....0 shares common (value included in Line 24 \$.....0)	X X X	X X X		
30.2	.....0 shares preferred (value included in Line 25 \$.....0)	X X X	X X X		
31.	Total capital and surplus (Lines 23 to 29 minus Line 30)	X X X	X X X	13,416,150	(261,411)
32.	Total Liabilities, capital and surplus (Lines 22 and 31)	X X X	X X X	81,407,092	
DETAILS OF WRITE-INS					
2101.	.....			
2102.	.....			
2103.	.....			
2198.	Summary of remaining write-ins for Line 21 from overflow page				
2199.	TOTALS (Lines 2101 through 2103 plus 2198) (Line 21 above)				
2301.	.....	X X X	X X X		
2302.	.....	X X X	X X X		
2303.	.....	X X X	X X X		
2398.	Summary of remaining write-ins for Line 23 from overflow page	X X X	X X X		
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	X X X	X X X		
2801.	.....	X X X	X X X		
2802.	.....	X X X	X X X		
2803.	.....	X X X	X X X		
2898.	Summary of remaining write-ins for Line 28 from overflow page	X X X	X X X		
2899.	TOTALS (Lines 2801 through 2803 plus 2898) (Line 28 above)	X X X	X X X		

AMERIGROUP Tennessee, Inc.
Report 2A - TennCare Income Statement
Middle Tennessee CRA 2.30.14.3.3 and 2.30.14.3.4

	Current Period	Year-To-Date Total	Previous Year Total
Member Months	543,675	543,675	-
Revenues:			
TennCare Capitation	127,311,655	127,311,655	-
Investment	817,501	900,759	-
Other Revenues			-
Total Estimated Revenues	128,129,155	128,212,413	-
Expenses:			
Hospital and Medical (w/o Mental Health)			
Capitated Physician Services	-	-	-
Fee-for Service Physician Services	36,034,518	36,034,518	-
Inpatient Hospital Services	27,858,457	27,858,457	-
Outpatient Hospital Services	22,645,260	22,645,260	-
Emergency Room Services	2,171,766	2,171,766	-
Dental Services	-	-	-
Vision Services	1,391,773	1,391,773	-
Pharmacy Services	-	-	-
Home Health Services	-	-	-
Chiropractic Services	-	-	-
Radiology Services	7,986,818	7,986,818	-
Laboratory Services	4,426,322	4,426,322	-
Durable Medical Equipment Services	883,805	883,805	-
Transportation Services	2,427,015	2,427,015	-
Outside Referrals	-	-	-
Medical Incentive Pool and Withhold Adj	-	-	-
Occupancy, Depreciation and Amortization	-	-	-
Other Medical and Hospital Services - Write-Ins	-	-	-
Subtotal Medical and Hospital	105,825,735	105,825,735	-
Mental Health and Substance Abuse Services			
Inpatient Psychiatric Facility Services	517,183	517,183	-
Inpatient Substance Abuse Treatment and Detox	788,060	788,060	-
Outpatient Mental Health Services	7,254,341	7,254,341	-
Outpatient Substance Abuse Treatment and Detox	-	-	-
Housing/Residential Treatment	-	-	-
Specialized Crisis Services	-	-	-
Psychiatric Rehab and Support Services	5,943,032	5,943,032	-
Case Management	-	-	-
Forensics	-	-	-
Other Judicial	-	-	-
Pharmacy	-	-	-
Lab Services	-	-	-
Transportation	78,641	78,641	-
Medical Incentive Pool and Withhold Adjustments	-	-	-
Occupancy, Depreciation and Amortization	-	-	-
Other Mental Health and Substance Abuse Services	-	-	-
PCP and Specialist Services	-	-	-
Other Mental Health Services - Write-Ins	-	-	-
Subtotal MH&SAS	14,581,257	14,581,257	-
Subtotal Hospital, Medical, MH&SAS	120,406,992	120,406,992	-
LESS:			
Net Reinsurance Recoveries Incurred	(825,538)	(825,538)	-
Copayments	-	-	-
Subrogation and Corrdination of Benefits	-	-	-
Subtotal Reinsurance, Copay, Subrogation	(825,538)	(825,538)	-
Total Hospital, Medical, MHS&S	121,232,530	121,232,530	-
Administration:			
Compensation	3,856,465	5,199,889	213,796
Marketing	42,432	42,432	-
Interest Expense	-	-	-
Premium Tax Expense	2,546,233	2,546,233	-
Occupancy, Depreciation, and Amortization	85,324	85,324	-
Other Administration - Write-Ins	8,547,289	8,724,407	47,615
Total Administration Expenses	15,077,742	16,598,285	261,411
Total Expenses	136,310,273	137,830,816	261,411
Extraordinary Item	-	-	-
Provision for Income Tax	-	-	-
Net Income (Loss)	(8,181,117)	(9,618,402)	(261,411)
Write-Ins for Other Expense			
Detail of Other Medical and Hospital:			
	-	-	-
	-	-	-
	-	-	-
Total Other Medical and Hospital	-	-	-
Detail of Other MH and SAS:			
	-	-	-
	-	-	-
	-	-	-
Total Other MH and SAS	-	-	-
Detail of Other Administration:			
Purch Svc Accts	157,446	157,446	-
Telephone Expenses	145,219	171,432	-
Postage and Delivery	153,825	158,721	-
Recruitment Expenses	154,811	286,826	42,198
Management Fee-Ind	7,415,656	7,415,656	-
Other Administration < \$150,000 YTD	520,332	534,326	5,417
Total Other Administration	8,547,289	8,724,407	47,615

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date
		1 Uncovered	2 Total	3 Total
1.	Member Months .....	..... X X X .....	..... 543,675 .....	.....
2.	Net premium income (including \$.....0 non-health premium income) .....	..... X X X .....	..... 126,486,116 .....	.....
3.	Change in unearned premium reserves and reserves for rate credits .....	..... X X X .....	.....	.....
4.	Fee-for-service (net of \$.....0 medical expenses) .....	..... X X X .....	.....	.....
5.	Risk revenue .....	..... X X X .....	.....	.....
6.	Aggregate write-ins for other health care related revenues .....	..... X X X .....	.....	.....
7.	Aggregate write-ins for other non-health revenues .....	..... X X X .....	.....	.....
8.	Total revenues (Lines 2 to 7) .....	..... X X X .....	..... 126,486,116 .....	.....
Hospital and Medical:				
9.	Hospital/medical benefits .....	.....	..... 100,848,850 .....	.....
10.	Other professional services .....	.....	..... 1,086,344 .....	.....
11.	Outside referrals .....	.....	.....	.....
12.	Emergency room and out-of-area .....	.....	..... 15,956,290 .....	.....
13.	Prescription drugs .....	.....	.....	.....
14.	Aggregate write-ins for other hospital and medical .....	.....	..... 2,515,507 .....	.....
15.	Incentive pool, withhold adjustments and bonus amounts .....	.....	.....	.....
16.	Subtotal (Lines 9 to 15) .....	.....	..... 120,406,991 .....	.....
Less:				
17.	Net reinsurance recoveries .....	.....	.....	.....
18.	Total hospital and medical (Lines 16 minus 17) .....	.....	..... 120,406,991 .....	.....
19.	Non-health claims (net) .....	.....	.....	.....
20.	Claims adjustment expenses, including \$.....2,869,581 cost containment expenses .....	.....	..... 3,295,414 .....	.....
21.	General administrative expenses .....	.....	..... 13,302,871 .....	.....
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) .....	.....	.....	.....
23.	Total underwriting deductions (Lines 18 through 22) .....	.....	..... 137,005,276 .....	.....
24.	Net underwriting gain or (loss) (Lines 8 minus 23) .....	..... X X X .....	..... (10,519,160) .....	.....
25.	Net investment income earned .....	.....	..... 900,759 .....	.....
26.	Net realized capital gains (losses) less capital gains tax of \$.....0 .....	.....	.....	.....
27.	Net investment gains or (losses) (Lines 25 plus 26) .....	.....	..... 900,759 .....	.....
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)] .....	.....	.....	.....
29.	Aggregate write-ins for other income or expenses .....	.....	.....	.....
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	..... X X X .....	..... (9,618,401) .....	.....
31.	Federal and foreign income taxes incurred .....	..... X X X .....	.....	.....
32.	Net income (loss) (Lines 30 minus 31) .....	..... X X X .....	..... (9,618,401) .....	.....
DETAILS OF WRITE-INS				
0601.	.....	..... X X X .....	.....	.....
0602.	.....	..... X X X .....	.....	.....
0603.	.....	..... X X X .....	.....	.....
0698.	Summary of remaining write-ins for Line 6 from overflow page .....	..... X X X .....	.....	.....
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	..... X X X .....	.....	.....
0701.	.....	..... X X X .....	.....	.....
0702.	.....	..... X X X .....	.....	.....
0703.	.....	..... X X X .....	.....	.....
0798.	Summary of remaining write-ins for Line 7 from overflow page .....	..... X X X .....	.....	.....
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) .....	..... X X X .....	.....	.....
1401.	Home Health Care, DME, Transportation, Etc. ....	.....	..... 2,515,507 .....	.....
1402.	.....	.....	.....	.....
1403.	.....	.....	.....	.....
1498.	Summary of remaining write-ins for Line 14 from overflow page .....	.....	.....	.....
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....	.....	..... 2,515,507 .....	.....
2901.	.....	.....	.....	.....
2902.	.....	.....	.....	.....
2903.	.....	.....	.....	.....
2998.	Summary of remaining write-ins for Line 29 from overflow page .....	.....	.....	.....
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....	.....	.....	.....

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year
CAPITAL & SURPLUS ACCOUNT				
33.	Capital and surplus prior reporting year	(261,411)		
34.	Net income or (loss) from Line 32	(9,618,401)		(261,411)
35.	Change in valuation basis of aggregate policy and claim reserves			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0			
37.	Change in net unrealized foreign exchange capital gain or (loss)			
38.	Change in net deferred income tax			
39.	Change in nonadmitted assets	(1,425,909)		
40.	Change in unauthorized reinsurance			
41.	Change in treasury stock			
42.	Change in surplus notes			
43.	Cumulative effect of changes in accounting principles			
44.	Capital Changes:			
44.1	Paid in	1,000		
44.2	Transferred from surplus (Stock Dividend)			
44.3	Transferred to surplus			
45.	Surplus adjustments:			
45.1	Paid in	24,720,871		
45.2	Transferred to capital (Stock Dividend)			
45.3	Transferred from capital			
46.	Dividends to stockholders			
47.	Aggregate write-ins for gains or (losses) in surplus			
48.	Net change in capital and surplus (Lines 34 to 47)	13,677,561		(261,411)
49.	Capital and surplus end of reporting period (Line 33 plus 48)	13,416,150		(261,411)
DETAILS OF WRITE-INS				
4701.	.....		
4702.	.....		
4703.	.....		
4798.	Summary of remaining write-ins for Line 47 from overflow page			
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)			

CASH FLOW

		1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations			
1.	Premiums collected net of reinsurance	113,756,319	
2.	Net investment income	825,800	
3.	Miscellaneous income		
4.	Total (Lines 1 to 3)	114,582,119	
5.	Benefit and loss related payments	61,366,263	
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	12,492,418	
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of \$.0 tax on capital gains (losses)		
10.	Total (Lines 5 through 9)	73,858,681	
11.	Net cash from operations (Line 4 minus Line 10)	40,723,438	
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds		
12.2	Stocks		
12.3	Mortgage loans		
12.4	Real estate		
12.5	Other invested assets		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7	Miscellaneous proceeds		
12.8	Total investment proceeds (Lines 12.1 to 12.7)		
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	10,676,946	
13.2	Stocks		
13.3	Mortgage loans		
13.4	Real estate		
13.5	Other invested assets		
13.6	Miscellaneous applications		
13.7	Total investments acquired (Lines 13.1 to 13.6)	10,676,946	
14.	Net increase (or decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14)	(10,676,946)	
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock	21,701,000	
16.3	Borrowed funds		
16.4	Net deposits on deposit-type contracts and other insurance liabilities		
16.5	Dividends to stockholders		
16.6	Other cash provided (applied)	(42,121)	
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	21,658,879	
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	51,705,371	
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year		
19.2	End of period (Line 18 plus Line 19.1)	51,705,371	

Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

Description		Amount 1	Amount 2
20.0001	Contibution made in July 2007 by the Parent Co. (AMERIGROUP Corporation) to be in compliance with net worth ...	3,000,000	

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year										
2. First Quarter										
3. Second Quarter	182,201								182,201	
4. Third Quarter										
5. Current Year										
6. Current Year Member Months	543,675								543,675	
Total Member Ambulatory Encounters for Period:										
7. Physician	185,847								185,847	
8. Non-Physician	135,318								135,318	
9. Total	321,165								321,165	
10. Hospital Patient Days Incurred	35,135								35,135	
11. Number of Inpatient Admissions	4,857								4,857	
12. Health Premiums Written (a)	127,311,655								127,311,655	
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	127,311,655								127,311,655	
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	60,547,571								60,547,571	
18. Amount Incurred for Provision of Health Care Services	120,406,991								120,406,991	

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0.

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims						
1	2	3	4	5	6	7
Account	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 days	Over 120 Days	Total
0199999 Individually Listed Claims Unpaid						
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered	7,227,550	957,215	121,620			8,306,385
0499999 Subtotals	7,227,550	957,215	121,620			8,306,385
0599999 Unreported claims and other claim reserves						51,553,036
0699999 Total Amounts Withheld						
0799999 Total Claims Unpaid						59,859,421
0899999 Accrued Medical Incentive Pool And Bonus Amounts						

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1+3)	6 Estimated Claim Reserve and Claim Liability Dec.31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec.31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital & medical)						
2. Medicare Supplement						
3. Dental only						
4. Vision only						
5. Federal Employees Health Benefits Plan						
6. Title XVIII - Medicare						
7. Title XIX - Medicaid		61,366,263		59,859,421		
8. Other health						
9. Health subtotal (Lines 1 to 8)		61,366,263		59,859,421		
10. Healthcare receivables (a)		818,693				
11. Other non-health						
12. Medical incentive pools and bonus amounts						
13. Totals		60,547,570		59,859,421		

(a) Excludes \$2,041,000 loans or advances to providers not yet expensed.

Notes to Financial Statement

1. Summary of Significant Accounting Policies

A. Accounting Practices

The Financial Statements of AMERIGROUP Tennessee, Inc. (the Company) is presented on the basis of accounting practices prescribed or permitted by the Tennessee Department of Commerce and Insurance.

The Tennessee Department of Commerce and Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Tennessee for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Tennessee Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual, version effective March 1, 2007 (NAIC SSAP) has been adopted as a component of prescribed or permitted practices by the state of Tennessee.

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with the Statutory Accounting Principles requires management to make estimates and assumptions that affect the report amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

AMERIGROUP Tennessee, Inc. records premium revenues based on its membership records and premiums rates for each membership category within each region. Premiums are due monthly and are recognized as revenue during the period in which the company is obligated to provide service to members.

In addition, the company uses the following accounting policies.

- (1) Short-term investments are stated at amortized cost. Any Bonds not backed by other loans are stated at amortized cost using the interest method.
- (2) Unpaid Claims and loss adjustment expenses include an amount determined from individual case estimates and claim reports and an amount, based on past experience, for claims incurred but not reported. Such liabilities are based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.

2. Accounting Changes and Corrections of Errors

A. Disclosure for Insurers Upon Initial Implementation of Codification:

None

3. Business Combinations and Goodwill

None

4. Discontinued Operations

None

5. Investments

AMERIGROUP Tennessee, Inc. as of June 30, 2007, does not possess or reflect any Mortgage Loans, Debt Restructuring, Reverse Mortgages, Loan-Backed Securities, Repurchase Agreements, Real Estate, or Low-income housing tax credits.

6. Joint Ventures, Partnerships and Limited Liability Companies

AMERIGROUP Tennessee, Inc. as of June 30, 2007 had no investments in Joint Ventures, Partnerships and Limited Liability Companies that exceed 10% of its admitted assets.

7. Investment Income

AMERIGROUP Tennessee, Inc. reports only investment income that is earned as due and accrued.

8. Derivative Instruments

AMERIGROUP Tennessee, Inc. as of June 30, 2007 had no investments in Derivative Instruments.

Notes to Financial Statement

9. Income Taxes

The Company's federal income tax return is consolidated with the following entities:

AMERIGROUP Corporation (Parent)
PHP Holdings, Inc.
AMERIGROUP Florida, Inc.
AMERIGROUP Maryland, Inc.
AMERIGROUP New Jersey, Inc.
AMERIGROUP Texas, Inc.
AMERIGROUP New York, LLC
AMGP Georgia Managed Care Company, Inc.
AMERIGROUP Virginia, Inc.
AMERIGROUP Ohio, Inc.
AMERIGROUP Community Care of New Mexico, Inc.
AMERIGROUP Nevada, Inc.
AMERIGROUP Tennessee, Inc.
AMERIGROUP Community Care of South Carolina, Inc.
AMERIGROUP Indiana, Inc.

AMERIGROUP Corporation has a written agreement outlining the method of allocating federal income tax between the entities. The allocation is based upon separate return calculations for each member of the affiliated group. If a member has a net loss, current credit is provided to the extent that the member has previously paid taxes.

10. Information Concerning Parent, Subsidiaries and Affiliates

AMERIGROUP Corporation provides administrative and financial support services to the Company. Intercompany management fees charged to the Company year-to-date as of second Quarter 2007 for these services were \$7,415,656 and are included in general administrative expenses in the accompanying statutory statements of revenue and expenses. The affiliate receivable is the result of a capital contribution from AMERIGROUP Corporation of \$3,000,000 and was paid in July 2007.

11. Debt

The Company has no debt outstanding.

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Postretirement Benefits Plans

The Company's employees have the option to participate in a deferred compensation plan sponsored by AMERIGROUP Corporation. All full-time and most part-time employees of AMERIGROUP Corporation and the Company may elect to participate in this plan. This plan is exempt from income taxes under Section 401(k) of the Internal Revenue Code. Participants may contribute a certain percentage of their compensation subject to maximum federal and plan limits. AMERIGROUP Corporation may elect to match a certain percentage of each employee's contributions up to specified limits.

13. Capital and Surplus, Shareholder's Dividend Restrictions and Quasi-Reorganizations.

- (1) The Company has 1000 shares of common stock authorized and 1000 shares outstanding.
- (2) The Company has no preferred stock outstanding.

14. Contingencies

None

15. Leases

The Company leases office space under a operating lease agreement that expires August 1, 2013. Rental expense as of June 30, 2007 was approximately \$157,966. At June 30, 2007, the minimum aggregate rental commitments are as follows:

2008:	\$ 608,087
2009:	\$ 626,405
2010:	\$ 645,087
2011:	\$ 662,261
2012:	\$ 684,066

16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial with Concentrations of Credit Risk.

None

Notes to Financial Statement

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

None

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans.

None

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators.

None

20. September 11 Events

None

21. Other Items

None

22. Events Subsequent

A capital contribution of \$3,000,000 will be made by the parent company (AMERIGROUP Company) in July 2007 to meet the net worth requirements for the year.

23. Reinsurance

A new contract was signed with Allianz Life Ins. of North America in April of 2006, with the attachment points of \$200,000 per Medicaid member. AMERIGROUP Tennessee, Inc. during this reporting period had no Unsecured Reinsurance Recoverables, Reinsurance Recoverable in Dispute, Uncollectible Reinsurance, Commutation of Reinsurance or Retroactive Reinsurance.

24. Retrospectively Rated Contracts

None

25. Change in Incurred Claims and Claim Adjustment Expenses

The changes to reserves for incurred claims and claim adjustment expenses result from re-estimation and are reflected in the period determined.

26. Intercompany Pooling Arrangements

None

27. Structured Settlements

None

28. Health Care Receivables

Health Care Receivables consist of provider advances and provider overpayments on paid claims, administrative services, and ASO claims payment receivable from the state of Tennessee.

29. Participating Policies

None

30. Premium Deficiency Reserves.

None

31. Salvage and Subrogation

None

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[] No[] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 2.2 If yes, date of change:
3. Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes[X] No[]
- If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes[] No[X] N/A[]
- If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).
- 6.4 By what department or departments?
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC
		Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

FINANCIAL

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes[X] No[]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended?

Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).
- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[X] No[]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$..... 3,000,000

INVESTMENT

- 11.1 Has there been any change in the reporting entity's own preferred or common stock?

Yes[X] No[]
- 11.2 If yes, explain:

The Company has 1000 shares of common stock authorized and 1000 shares outstanding.
- 12.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[] No[X]
- 12.2 If yes, give full and complete information relating thereto:
13. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$..... 0
14. Amount of real estate and mortgages held in short-term investments:

\$..... 0
- 15.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[] No[X]
- 15.2 If yes, please complete the following:

GENERAL INTERROGATORIES (Continued)

		1	2
		Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
15.21	Bonds		
15.22	Preferred Stock		
15.23	Common Stock		
15.24	Short-Term Investments		
15.25	Mortgages Loans on Real Estate		
15.26	All Other		
15.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 15.21 to 15.26)		
15.28	Total Investment in Parent included in Lines 15.21 to 15.26 above		

16.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes[] No[X]

16.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes[] No[] N/A[X]

If no, attach a description with this statement.

17. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV. H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes[X] No[]

17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1	2
Name of Custodian(s)	Custodian Address
US Bank	1025 Connecticut Avenue Ste 517; Washington, DC 20036

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)
.....

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

Yes[] No[X]

17.4 If yes, give full and complete information relating thereto:

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason
.....

17.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository	Name(s)	Address
.....

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

Yes[X] No[]

18.2 If no, list exceptions:

STATEMENT AS OF **June 30, 2007** OF THE **AMERIGROUP Tennessee, Inc.**

SCHEDULE A - VERIFICATION
Real Estate

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Increase (decrease) by adjustment		
3.	Cost of acquired		
4.	Cost of additions to and permanent improvements		
5.	Total profit (loss) on sales		
6.	Increase (decrease) by foreign exchange adjustment		
7.	Amount received on sales		
8.	Book/adjusted carrying value at end of current period		
9.	Total valuation allowance		
10.	Subtotal (Lines 8 plus 9)		
11.	Total nonadmitted amounts		
12.	Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)		

SCHEDULE B - VERIFICATION
Mortgage Loans

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year		
2.	Amount loaned during period:		
2.1	Actual cost at time of acquisitions		
2.2	Additional investment made after acquisitions		
3.	Accrual of discount and mortgage interest points and commitment fees		
4.	Increase (decrease) by adjustment		
5.	Total profit (loss) on sale		
6.	Amounts paid on account or in full during the period		
7.	Amortization of premium		
8.	Increase (decrease) by foreign exchange adjustment		
9.	Book value/recorded investment excluding accrued interest on mortgages owned at end of current period		
10.	Total valuation allowance		
11.	Subtotal (Lines 9 plus 10)		
12.	Total nonadmitted amounts		
13.	Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column)		

SCHEDULE BA - VERIFICATION
Other Invested Assets

		1	2
Description		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year		
2.	Cost of acquisitions during period:		
2.1	Actual cost at time of acquisitions		
2.2	Additional investment made after acquisitions		
3.	Accrual of discount		
4.	Increase (decrease) by adjustment		
5.	Total profit (loss) on sale		
6.	Amounts paid on account or in full during the period		
7.	Amortization of premium		
8.	Increase (decrease) by foreign exchange adjustment		
9.	Book/adjusted carrying value of long-term invested assets at end of current period		
10.	Total valuation allowance		
11.	Subtotal (Lines 9 plus 10)		
12.	Total nonadmitted amounts		
13.	Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)		

SCHEDULE D - VERIFICATION
Bonds and Stocks

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year		
2.	Cost of bonds and stocks acquired	10,674,238	
3.	Accrual of discount	2,708	
4.	Increase (decrease) by adjustment		
5.	Increase (decrease) by foreign exchange adjustment		
6.	Total profit (loss) on disposal		
7.	Consideration for bonds and stocks disposed of		
8.	Amortization of premium		
9.	Book/adjusted carrying value, current period	10,676,946	
10.	Total valuation allowance		
11.	Subtotal (Lines 9 plus 10)	10,676,946	
12.	Total nonadmitted amounts		
13.	Statement value	10,676,946	

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity

During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1	10,674,905			2,041	10,674,905	10,676,946		
2. Class 2								
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds	10,674,905			2,041	10,674,905	10,676,946		
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	10,674,905			2,041	10,674,905	10,676,946		

SCHEDULE DA - PART 1

Short - Term Investments Owned End of Current Quarter

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
8299999. Totals	269,100	X X X	269,100	1,725	

SCHEDULE DA - PART 2 - Verification

Short-Term Investments Owned

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of short-term investments acquired	267,375	
3. Increase (decrease) by adjustment	1,725	
4. Increase (decrease) by foreign exchange adjustment		
5. Total profit (loss) on disposal of short-term investments		
6. Consideration received on disposal of short-term investments		
7. Book/adjusted carrying value, current period	269,100	
8. Total valuation allowance		
9. Subtotals (Lines 7 plus 8)	269,100	
10. Total nonadmitted amounts		
11. Statement value (Lines 9 minus 10)	269,100	
12. Income collected during period	1,725	
13. Income earned during period	1,725	

15 Schedule DB Part F Section 1 NONE

16 Schedule DB Part F Section 2 NONE

17 Schedule S Ceded Reinsurance NONE

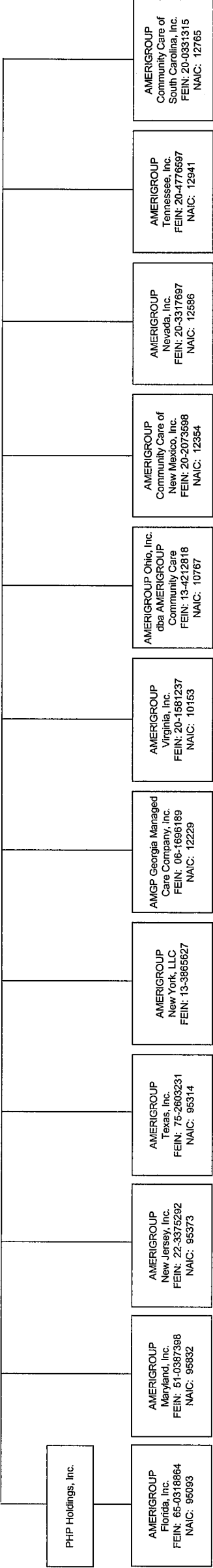
SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

		1 Is Insurer Licensed (Yes or No)	Direct Business Only							
			2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums and Other Considerations	7 Property/ Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit-Type Contracts
State, Etc.										
1.	Alabama (AL) .....	.. No ..								
2.	Alaska (AK) .....	.. No ..								
3.	Arizona (AZ) .....	.. No ..								
4.	Arkansas (AR) .....	.. No ..								
5.	California (CA) .....	.. No ..								
6.	Colorado (CO) .....	.. No ..								
7.	Connecticut (CT) .....	.. No ..								
8.	Delaware (DE) .....	.. No ..								
9.	District of Columbia (DC) .....	.. No ..								
10.	Florida (FL) .....	.. No ..								
11.	Georgia (GA) .....	.. No ..								
12.	Hawaii (HI) .....	.. No ..								
13.	Idaho (ID) .....	.. No ..								
14.	Illinois (IL) .....	.. No ..								
15.	Indiana (IN) .....	.. No ..								
16.	Iowa (IA) .....	.. No ..								
17.	Kansas (KS) .....	.. No ..								
18.	Kentucky (KY) .....	.. No ..								
19.	Louisiana (LA) .....	.. No ..								
20.	Maine (ME) .....	.. No ..								
21.	Maryland (MD) .....	.. No ..								
22.	Massachusetts (MA) .....	.. No ..								
23.	Michigan (MI) .....	.. No ..								
24.	Minnesota (MN) .....	.. No ..								
25.	Mississippi (MS) .....	.. No ..								
26.	Missouri (MO) .....	.. No ..								
27.	Montana (MT) .....	.. No ..								
28.	Nebraska (NE) .....	.. No ..								
29.	Nevada (NV) .....	.. No ..								
30.	New Hampshire (NH) .....	.. No ..								
31.	New Jersey (NJ) .....	.. No ..								
32.	New Mexico (NM) .....	.. No ..								
33.	New York (NY) .....	.. No ..								
34.	North Carolina (NC) .....	.. No ..								
35.	North Dakota (ND) .....	.. No ..								
36.	Ohio (OH) .....	.. No ..								
37.	Oklahoma (OK) .....	.. No ..								
38.	Oregon (OR) .....	.. No ..								
39.	Pennsylvania (PA) .....	.. No ..								
40.	Rhode Island (RI) .....	.. No ..								
41.	South Carolina (SC) .....	.. No ..								
42.	South Dakota (SD) .....	.. No ..								
43.	Tennessee (TN) .....	.. Yes ..			127,311,655				127,311,655	
44.	Texas (TX) .....	.. No ..								
45.	Utah (UT) .....	.. No ..								
46.	Vermont (VT) .....	.. No ..								
47.	Virginia (VA) .....	.. No ..								
48.	Washington (WA) .....	.. No ..								
49.	West Virginia (WV) .....	.. No ..								
50.	Wisconsin (WI) .....	.. No ..								
51.	Wyoming (WY) .....	.. No ..								
52.	American Samoa (AS) .....	.. No ..								
53.	Guam (GU) .....	.. No ..								
54.	Puerto Rico (PR) .....	.. No ..								
55.	U.S. Virgin Islands (VI) .....	.. No ..								
56.	Northern Mariana Islands (MP) .....	.. No ..								
57.	Canada (CN) .....	.. No ..								
58.	Aggregate other alien (OT) .....	.. X X X ..								
59.	Subtotal .....	.. X X X ..			127,311,655				127,311,655	
60.	Reporting entity contributions for Employee Benefit Plans .....	.. X X X ..								
61.	Total (Direct Business)	(a). 1 .			127,311,655				127,311,655	
DETAILS OF WRITE-INS										
5801.	.....	.. X X X ..								
5802.	.....	.. X X X ..								
5803.	.....	.. X X X ..								
5898.	Summary of remaining write-ins for Line 58 from overflow page .....	.. X X X ..								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above) .....	.. X X X ..								

(a) Insert the number of yes responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART
AMERIGROUP Corporation



SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	RESPONSE
1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



21	Overflow Page for Write-Ins	NONE
E01	Schedule A Part 2	NONE
E01	Schedule A Part 3	NONE
E02	Schedule B Part 1	NONE
E02	Schedule B Part 2	NONE
E03	Schedule BA Part 1	NONE
E03	Schedule BA Part 2	NONE
E04	Schedule D Part 3	NONE
E05	Schedule D Part 4	NONE
E06	Schedule DB Part A Section 1	NONE
E06	Schedule DB Part B Section 1	NONE
E07	Schedule DB Part C Section 1	NONE
E07	Schedule DB Part D Section 1	NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1			2	3	4	5	Book Balance at End of Each Month			9
							During Current Quarter			
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	*
							First Month	Second Month	Third Month	
open depositories										
Wachovia					66,231		4,489,181	(1,505,615)	9,933,400	X X X
US Bank					614,183		34,020,819	44,259,692	41,502,871	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories .			X X X	... X X X ..						X X X
0199999 Totals - Open Depositories			X X X	... X X X ..	680,414		38,510,000	42,754,077	51,436,271	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories			X X X	... X X X ..						X X X
0299999 Totals - Suspended Depositories			X X X	... X X X ..						X X X
0399999 Total Cash On Deposit			X X X	... X X X ..	680,414		38,510,000	42,754,077	51,436,271	X X X
0499999 Cash in Company's Office			X X X	... X X X ..	X X X	... X X X ..				X X X
0599999 Total Cash			X X X	... X X X ..	680,414		38,510,000	42,754,077	51,436,271	X X X

E09 Schedule E Part 2 Cash Equivalents NONE

Supp1 Medicare Part D Coverage Supplement NONE

ACT Actuarial Statement NONE

AEP Amended Explanation NONE

**INDEX TO HEALTH
QUARTERLY STATEMENT**

Accounting Changes and Corrections of Errors; Q10, Note 2; Q11

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QUARTERLY DISKETTE TRANSMITTAL FORM AND CERTIFICATION
 (HEALTH)

Name of Insurer
 AMERIGROUP Tennessee, Inc.

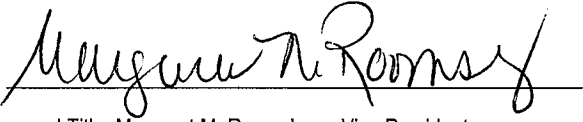
Date
 08/15/2007
 FEIN
 20-4776597
 NAIC Group #
 1156
 NAIC Company #
 12941

THIS FORM IS REQUIRED FOR ALL DISKETTE TRANSMITTALS, PLEASE PROVIDE ANY ADDITIONAL COMMENTS THAT MAY
 HELP TO IDENTIFY DISKETTE CONTENT

	First Quarter	Second Quarter	Third Quarter
A01. Is this the first time you've submitted this filing? (Y/N) .....	..... N/A .....	..... Yes .....	..... N/A
A02. Is this being re-filed at the request of the NAIC or a state insurance department? (Y/N) .....	..... N/A .....	..... N/A .....	..... N/A
A03. Is this being re-filed due to changes to the data originally filed? (Y/N) .....	..... N/A .....	..... N/A .....	..... N/A
(IF "YES" ENCLOSE HARD COPY PAGES FOR EACH CHANGE.)			
A04. Other? (Y/N) .....	..... N/A .....	..... N/A .....	..... N/A
(If "yes" attach an explanation.)			

- B. Additional comments if necessary for clarification:
- C. Diskette Contact Person: Margaret Mary Roomsburg
- Phone: (757)473-2737-32721
- Address: 4425 Corporation Lane, Virginia Beach, VA 23462
- D. Software Vendor: SunGard Insurance Systems, Inc.
Version: 2007.Q.2
- E. Have material validation failures been addressed in the explanation file? Yes[X] No[]
- F. The undersigned hereby certifies, according to the best of his/her knowledge and belief: that the diskettes submitted with this form were prepared in compliance with the NAIC specifications, that the diskettes have been tested against the validations included with these specifications, and that quarterly statement information required to be contained on diskette is identical to the information in the 2007 Quarterly Statement blank filed with the insurer's domiciliary state insurance department. In addition, the diskettes have been scanned through a virus detection software package, and no viruses are present on the diskettes. The virus detection software used was (name): McAfee VirusScan Enterprise

(version number): 8.0.0

(Signed)
 

 Type Name and Title: Margaret M. Roomsburg, Vice President

AMERIGROUP Tennessee, Inc.
Statement of Actuarial Opinion
Valuation Date: June 2007

Date: July 20, 2007

I, Sean T. Monaghan, a member of the American Academy of Actuaries and an employee of AMERIGROUP Corporation, am rendering this opinion on behalf of AMERIGROUP Tennessee, Inc. (the Company). I meet the Academy qualification standards for rendering this opinion and am familiar with the valuation requirements applicable to life and health insurance companies.

Under my supervision, accrual (incurred claims) calculations were performed for the Company's membership, by region (Middle), by product (TANF and SSI), by month (June 2007), and by benefit category (Inpatient, and Medical).

I attest the number of "Remaining IBNR" in Medical Loss Ratio (MLR) Report for the year-to-date total is reasonable and represents our current best estimate. The "Remaining IBNR" number includes accrual IBNR reserves of \$45,302,400, accrual estimates for a factor for uncertainty of \$9,219,549, and reinsurance premium of \$825,538. The total is \$55,347,487 and is reported in the MLR Report.

The actuarial methods, considerations and analyses used in forming my opinion conform to the appropriate Standards of Practice as promulgated by the Actuarial Standards Board, which standards form the basis of this statement of opinion.

The impact of unanticipated events subsequent to the date of this opinion is beyond the scope of this opinion.

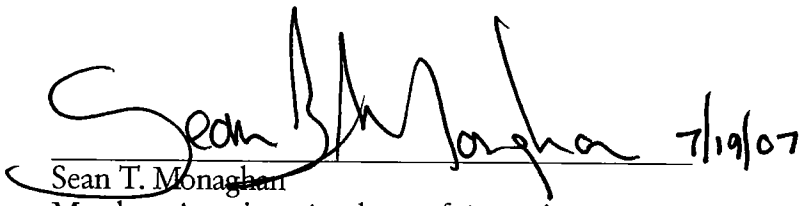

Sean T. Monaghan
Member, American Academy of Actuaries
Senior Vice President, Corporate Actuarial Services

EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

<div>1</div>	<div>2</div>	<div>3</div>	<div>4</div>	<div>5</div>	<div>6</div>	<div>7</div>
<div>Name of Debtor</div>						
0199999 Total individuals						
0299998 Premium due and unpaid not individually listed						
0299999 Total group						
0399999 Premium due and unpaid from Medicare entities						
0499999 Premium due and unpaid from Medicaid entities	4,228,530	4,364,422	4,136,844			12,729,797
0599999 Accident and health premiums due and unpaid (Page 2, Line 13)	4,228,530	4,364,422	4,136,844	0		12,729,797

EXHIBIT 3 - HEALTH CARE RECEIVABLES

<div>1</div>	<div>2</div>	<div>3</div>	<div>4</div>	<div>5</div>	<div>6</div>	<div>7</div>
<div>Name of Debtor</div>	<div>1 - 30 Days</div>	<div>31 - 60 Days</div>	<div>61 -90 Days</div>	<div>Over 90 Days</div>	<div>Nonadmitted</div>	<div>Admitted</div>
0199998 Pharmaceutical Rebate Receivables - Not Individually Listed .....	.....	.....	.....	.....	.....	.....
0199999 Subtotal - Pharmaceutical Rebate Receivables .....	.....	.....	.....	.....	.....	.....
0299998 Claim Overpayment Receivables - Not Individually Listed	610,851	.....	.....	.....	.....	610,851
0299999 Subtotal - Claim Overpayment Receivables	610,851	.....	.....	.....	.....	610,851
0399998 Loans and Advances to Providers - Not Individually Listed	2,041,000	.....	.....	.....	.....	2,041,000
0399999 Subtotal - Loans and Advances to Providers	2,041,000	.....	.....	.....	.....	2,041,000
0499998 Capitation Arrangements Receivables - Not Individually Listed .....	.....	.....	.....	.....	.....	.....
0499999 Subtotal - Capitation Arrangements Receivables.....	.....	.....	.....	.....	.....	.....
0599998 Risk Sharing Receivables - Not Individually Listed .....	.....	.....	.....	.....	.....	.....
0599999 Subtotal - Risk Sharing Receivables .....	.....	.....	.....	.....	.....	.....
0699998 Other Receivables - Not Individually Listed	207,842	.....	.....	.....	.....	207,842
0699999 Subtotal - Other Receivables	207,842	.....	.....	.....	.....	207,842
0799999 Gross health care receivables	2,859,693	.....	.....	.....	.....	2,859,693

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1	2	3	4	5	6	Admitted	
						7	8
Name of Debtor	1 - 30 Days	31 - 60 Days	61 -90 Days	Over 90 Days	Nonadmitted	Current	Non-Current
0299999 Receivables not individually listed	3,000,000.00	.....	.....	.....	.....	3,000,000.00	.....
0399999 Total gross amounts receivable	3,000,000.00	.....	.....	.....	.....	3,000,000.00	.....